



221 MAIN STREET  
P.O. BOX 930  
SUNDANCE, WY 82729-0930  
FAX: (307) 283-3527

200 GARNER LAKE ROAD  
GILLETTE, WY 82718-0937  
FAX: (307) 682-0733

1095 BRUNDAGE LANE  
SHERIDAN, WY 82801-1387  
FAX: (307) 674-9018

1-800-442-3630

May 24, 2018

Mr. Chris Petrie  
Chief Counsel  
Wyoming Public Service Commission  
Hansen Building, Suite 300  
2515 Warren Avenue  
Cheyenne, WY 82002

Re: Docket No. 10014-191-CS-18, Record No. 14993  
Amended Resolution 2018-02 Filing

Dear Mr. Petrie:

As requested by Commission Staff, please find enclosed approved Amended Resolution 2018-02 in support in support of Powder River Energy Corporation's Application to enter into a credit agreement with CoBank and for authority to execute agreements to secure the line of credit.

Powder River Energy Corporation respectfully requests approval of this Application from the Commission.

Sincerely,

A handwritten signature in blue ink that reads "Michael E. Easley". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Michael E. Easley  
Chief Executive Officer

MEE/sjp

Enclosures

Ec: John Burbridge  
Nathan Brennan  
Luy Luong  
Angie Elliott



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## Amended Resolution 2018-02 Amendment of Revolving Term Loan Commitment

**WHEREAS** Powder River Energy Corporation is a CoBank borrower with an existing Revolving Term Loan; and

**WHEREAS** Powder River Energy Corporation wishes to amend the existing Revolving Term Loan Commitment; and

**WHEREAS** the Promissory Note is amended and restated with the authority to borrow up to \$1,000,000; and

**WHEREAS** a new, uncommitted revolving Promissory Note with CoBank with the authority to borrow up to \$9,000,000; and

**WHEREAS** the effective ending date of the existing Promissory Note and Revolving Term Loan Agreement with CoBank is March 1, 2018; and

**WHEREAS** Powder River Energy Corporation requires adequate and varied sources of financing in order to meet its objectives; and

**WHEREAS** Powder River Energy Corporation wishes to amend and create the Revolving Term Loans until December 31, 2020; and

**WHEREAS** CoBank is requesting Powder River Energy Corporation to enter into a new credit agreement for the herein referenced Promissory Notes.

**NOW, THEREFORE, BE IT RESOLVED THAT** the officers and staff of Powder River Energy Corporation are hereby authorized to take any and all actions required to renew the aforementioned Revolving Term Loan agreement with CoBank.

**APPROVED AND SIGNED** this 22<sup>nd</sup> day of May, 2018.

POWDER RIVER ENERGY CORPORATION

A handwritten signature in blue ink that reads "Walter C. Christensen".

Walter C. Christensen  
Board President

**CERTIFICATE OF SECRETARY**

I, Gerald Geis, Secretary/Treasurer of the Board of Directors of Powder River Energy Corporation, do hereby certify that the Board of Directors, at a meeting duly called, noticed, convened and held on the 22<sup>nd</sup> day of May, 2018, did hereby adopt the foregoing resolution.

(corporate seal)

  
\_\_\_\_\_  
Gerald Geis  
Secretary/Treasurer



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May 18, 2018

Mr. Chris Petrie  
Chief Counsel  
Wyoming Public Service Commission  
Hansen Building, Suite 300  
2515 Warren Avenue  
Cheyenne, WY 82002

Re: Docket No. 10014-191-CS-18, Record No. 14993  
Amended Exhibit F Filing

Dear Mr. Petrie:

As requested by Commission Staff, please find enclosed one (1) original and four (4) copies of an Amended Exhibit F in support of Powder River Energy Corporation's Application to enter into a credit agreement with CoBank and for authority to execute agreements to secure the line of credit.

Powder River Energy Corporation respectfully requests approval of this Application from the Commission.

Sincerely,

A handwritten signature in blue ink that reads "Michael E. Easley". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Michael E. Easley  
Chief Executive Officer

MEE/sjp

Enclosures

Ec: John Burbridge  
Nathan Brennan  
Luy Luong  
Angie Elliott

## POWDER RIVER ENERGY CORPORATION

Securities Test Calculation pursuant to W.S. 37-6-102  
As of December 31, 2017

		Before	After
F7 Pt. C Line 43	Long Term Debt	151,734,579.00	151,734,579.00
	Plus: Current Portion Unapplied Payments	7,478,243.00	7,478,243.00
	FFB Loan - Open	55,750,000.00	55,750,000.00
	CFC Line of Credit	13,000,000.00	13,000,000.00
	Co Bank Line of Credit	20,000,000.00	10,000,000.00
F7 Pt. C Line 36	Patronage Capital	218,025,553.00	218,025,553.00
	Proposed Securities Outstanding and Equity	<u>465,988,375.00</u>	<u>455,988,375.00</u>
F7 Pt C Line 5	Total Utility Plant	209,420,802.00	209,420,802.00
	FFB Loan - Open	55,750,000.00	55,750,000.00
	CFC Line of Credit	13,000,000.00	13,000,000.00
	CoBank Line of Credit	20,000,000.00	10,000,000.00
	Less: Current balance on Lines of Credit	-	-
F7 PT C Line 14	Total Other Property and Investments	163,023,195.00	163,023,195.00
	Less: Special Funds offset by Deferred Credits	(27,389,701.00)	(27,389,701.00)
	Less: Other Investments	(874,043.00)	(874,043.00)
F7 PT C Line 26	Total Current and Accrued Assets	73,669,232.00	73,669,232.00
	Less: Consumer Deposits	(15,012,351.57)	(15,012,351.57)
	Fair Value of Properties and Business	<u>491,587,133.43</u>	<u>481,587,133.43</u>

Adjusted for Accumulated Depreciation, although may be a lower valuation than necessary due to accelerated depreciation

Adjusted for Consumer Deposits temporarily invested

Ratio Calculations pursuant to Commission Rule  
Chapter 3, Section 21(g)(i)(E) and 21(g)(i)(E)(I)

Long-term Debt to Equity Ratio 0.6959

Calculated by dividing the amount from Form 7 Part C Line 43 - Total Long-Term Debt  
By the amount from Form 7 Part C Line 36 - Total Margins and Equities  
=  $151,734,579 / 218,025,553 = .6959$

Long-term Debt to Equity Ratio with Open FFB Loan and Proposed LOC 0.9975

Calculated by dividing the amount from Form 7 Part C Line 43 - Total Long-Term Debt plus  
The Proposed FFB Loan by the amount from Form 7 Part C Line 36 - Total Margins and Equities  
=  $(151,734,579 + 55,750,000 + 10,000,000) / 218,025,553 = .9975$

Operating TIER 1.94

Calculated by dividing the sum of Form 7 Part A Line 21 - Patronage Capital and Operating Margins,  
Line 16 - Interest on Long-Term Debt, and Part I Line 2.c Total Capital Credits Received  
By Form 7 Part A Line 16 - Interest on Long-Term Debt  
=  $(892,800 + 6,185,953 + 4,909,390) / 6,185,953 = 1.94$

Operating TIER is not expected to be impacted by this transaction, as this is a line of credit and  
only expected to be used in an emergency like a major outage.

Long-term Debt to Asset Ratio 0.3397

Calculated by dividing the amount from Form 7 Part C Line 43 - Total Long-Term Debt  
By the amount from Form 7 Part C Line 29 - Total Assets and Other Debits  
=  $151,734,579 / 446,624,256 = .3397$

Long-term Debt to Asset Ratio with Open FFB Loan and Proposed LOC 0.4870

Calculated by dividing the amount from Form 7 Part C Line 43 - Total Long-Term Debt plus  
The Open FFB Loan and Proposed LOC by the amount from Form 7 Part C Line 29 - Total Assets and Other Debits  
=  $(151,734,579 + 55,750,000 + 10,000,000) / 446,624,256 = .4870$

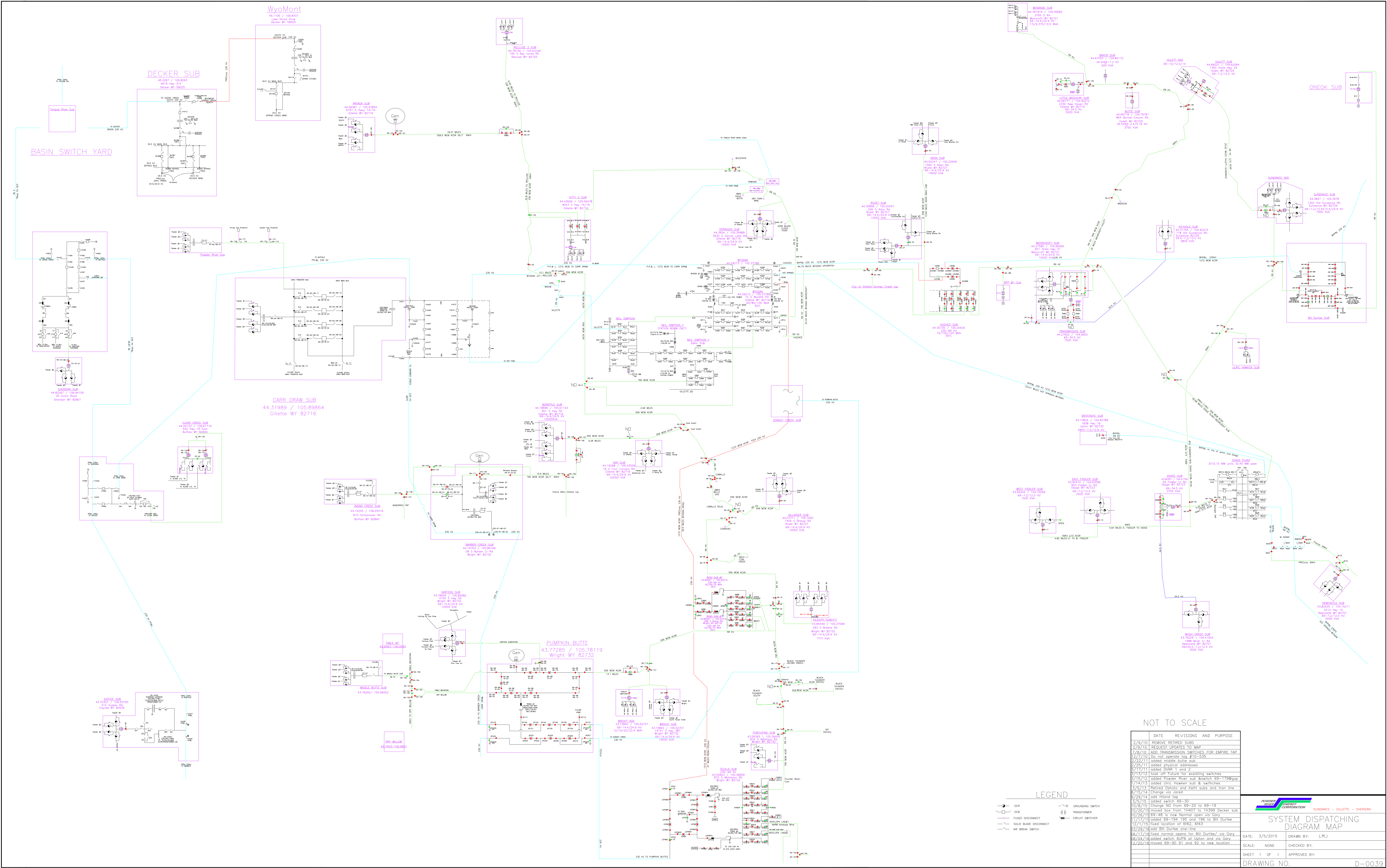
Debt Service coverage Ratio 2.23

Calculated by dividing the sum of Form 7 Part A Line 29 - Patronage Capital or Margins,  
Line 13 - Depreciation and Amortization expense, and Line 16 - Interest on Long-Term Debt  
By Form 7 Part N Column D - Total Long-Term and Debt Services Billed This Year  
=  $(12,649,033 + 11,067,147 + 6,185,953) / 13,423,404 = 2.23$

Debt Service Coverage is not expected to be impacted by this transaction, as this is a line of credit and  
only expected to be used in an emergency like a major outage.

Minimum Debt Coverage Ratio Requirements:

Operating TIER	1.10
TIER	1.25
Operating Debt Service Coverage	1.10
Debt Service Coverage	1.25



NOT TO SCALE

DATE	REVISIONS AND PURPOSE
2/9/10	REMOVE RETIRED SUBS
4/29/10	REQUEST UPDATES TO MAP
7/8/10	ADD TRANSMISSION SWITCHES FOR EMPIRE TAP
12/17/10	add and operate bus #10-335
2/22/11	added middle butte sub.
5/25/11	added physical addresses
5/17/11	added DWAR 1 and 2
5/15/11	look off future for existing switches
5/15/11	added Frazier river sub switch 69-17999
7/14/13	added UHC Howen sub & switches
1/3/13	retired options and Kohn subs and tran line
8/15/14	Change via joined
5/5/15	added switch 69-30
10/2/15	Change NO from 69-205 to 69-18
10/20/15	moved bus from THE27 to 19399 Decker sub
10/26/15	69-48 is now Normal open via Gary
11/17/15	added 69-185 and 196 to Bill Turlee
12/7/15	fixed location of 662, 663
15/29/16	Bill Turlee one-line
16/17/16	added normal opens for Bill Turlee/ via Gary
18/04/16	added switch 69-6 at Upton and via Gary
12/20/16	moved 69-99, 91 and 92 to new location

LEGEND	
	OCB
	OCB
	FUSED DISCONNECT
	SOLID BLADE DISCONNECT
	AIR BREAK SWITCH
	GROUNDING SWITCH
	TRANSFORMER
	CIRCUIT BREAKER

SUNDANCE - GILLETTE - SHERIDAN  
**SYSTEM DISPATCHING DIAGRAM MAP**  
 DATE: 3/3/2015 DRAWN BY: LMJ  
 SCALE: NONE CHECKED BY:  
 SHEET 1 OF 1 APPROVED BY:  
 DRAWING NO. D-0039

## POWDER RIVER ENERGY CORPORATION

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## Amended Resolution 2018-02 Amendment of Revolving Term Loan Commitment

**WHEREAS** Powder River Energy Corporation is a CoBank borrower with an existing Revolving Term Loan; and

**WHEREAS** Powder River Energy Corporation wishes to amend the existing Revolving Term Loan Commitment; and

**WHEREAS** the Promissory Note is amended and restated with the authority to borrow up to \$1,000,000; and

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**WHEREAS** CoBank is requesting Powder River Energy Corporation to enter into a new credit agreement for the herein referenced Promissory Notes.

**NOW, THEREFORE, BE IT RESOLVED THAT** the officers and staff of Powder River Energy Corporation are hereby authorized to take any and all actions required to renew the aforementioned Revolving Term Loan agreement with CoBank.

**APPROVED AND SIGNED** this 22<sup>nd</sup> day of May, 2018.

POWDER RIVER ENERGY CORPORATION

A handwritten signature in blue ink that reads "Walter C. Christensen".

Walter C. Christensen  
Board President

**CERTIFICATE OF SECRETARY**

I, Gerald Geis, Secretary/Treasurer of the Board of Directors of Powder River Energy Corporation, do hereby certify that the Board of Directors, at a meeting duly called, noticed, convened and held on the 22<sup>nd</sup> day of May, 2018, did hereby adopt the foregoing resolution.

(corporate seal)

  
\_\_\_\_\_  
Gerald Geis  
Secretary/Treasurer

BEFORE THE WYOMING PUBLIC SERVICE COMMISSION

IN THE MATTER OF THE )  
APPLICATION OF POWDER RIVER )  
ENERGY CORPORATION FOR A )  
CERTIFICATE OF PUBLIC )  
CONVENIENCE AND NECESSITY TO )  
CONSTRUCT/REBUILD, OPERATE AND )  
MAINTAIN A NEW 69 KV HIGH )  
VOLTAGE DISTRIBUTION POWER )  
LINE IN CROOK COUNTY, WYOMING )

DOCKET NO. 10014-190-CA-18  
(Record No. 14957)

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POWDER RIVER ENERGY CORPORATION'S RESPONSE TO WYOMING PUBLIC  
SERVICE COMMISSION STAFF INVESTIGATIVE REQUEST - SET ONE

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Powder River Energy Corporation ("Cooperative" or "PRECorp") provides the Wyoming Public Service Commission ("Commission") with the following responses:

- 1.1 Please provide when the Company expects to construct the future Adon to Little Missouri 69kV line.

*1.1 Response from Quentin Rogers, VP of Engineering, PRECorp: The Adon to Little Missouri 69kV line is a project that was identified in PRECorp's Long Range Plan, but presently is not within our identified Construction Work Plan. As a result, the exact future timing of the project is not known and is resultant of load development, overall reliability, and other priorities impacting our system. It is not expected at this time that the project will be initiated prior to 2022.*

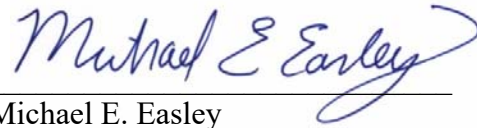
- 1.2 Please provide the conductor type that the proposed project will be connecting into at the Butte substation.

*1.2 Response from Quentin Rogers, VP of Engineering, PRECorp: The proposed project will utilize 556.5 ACSR (26/7 Dove) conductor, which is the same conductor size and type as the normal source for the Butte Substation from the Butte 69 kV Tap Line that is fed from PRECorp's Moorcroft to Hulett 69 kV Line.*

- 1.3 Please provide a map or shapefile of the Company's current transmission facilities.

*1.3 Response from Quentin Rogers, VP of Engineering, PRECorp: Please see the attached map.*

Dated: May 18, 2018

A handwritten signature in blue ink that reads "Michael E. Easley". The signature is written in a cursive style and is positioned above a horizontal line.

Michael E. Easley  
Chief Executive Officer  
Powder River Energy Corporation  
221 Main Street / P.O. Box 930  
Sundance, WY 82729-0930  
(307) 283-4900

**CERTIFICATE OF SERVICE**

I certify the foregoing response from Powder River Energy Corporation to the Wyoming Public Service Commission's First CIR Set was served upon all parties to this action on the 18th day of May, 2018, and that copies were served as follows:

**Wyoming Public Service Commission**

Katie Koski  
James Branscomb  
Perry McCollom  
Meridith Bell  
2515 Warren Avenue, Suite 300  
Cheyenne, WY 82002

Email: [katie.koski1@wyo.gov](mailto:katie.koski1@wyo.gov)

Email: [james.branscomb1@wyo.gov](mailto:james.branscomb1@wyo.gov)

Email: [perry.mccollom@wyo.gov](mailto:perry.mccollom@wyo.gov)

Email: [meridith.bell@wyo.gov](mailto:meridith.bell@wyo.gov)

US MAIL ATTN: MERIDITH BELL  
 FED EX  
 FAX  
 HAND DELIVERED  
 ELECTRONIC MAIL

**General Counsel for Powder River Energy Corporation**

Mark Hughes  
Marla Mitts  
Hughes Law Office  
113 North 3<sup>rd</sup>. Street  
Sundance, WY 82729

Email: [mark@hugheslawoffice.com](mailto:mark@hugheslawoffice.com)

Email: [marla@hugheslawoffice.com](mailto:marla@hugheslawoffice.com)

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---

Stephanie J. Pribilske  
Executive Staff Assistant  
Powder River Energy Corporation

**BEFORE THE WYOMING PUBLIC SERVICE COMMISSION**

IN THE MATTER OF THE ) APPLICATION OF POWDER RIVER ) ENERGY CORPORATION FOR ) AUTHORITY TO BORROW UP TO ) \$10,000,000 FROM COBANK )	) <b>DOCKET NO. 10014-191-CS-18</b> ) <b>(Record No. 14993)</b>
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**POWDER RIVER ENERGY CORPORATION’S RESPONSE TO WYOMING PUBLIC  
SERVICE COMMISSION STAFF INVESTIGATIVE REQUEST - SET ONE**

---

**Powder River Energy Corporation (“Cooperative” or “PRECorp”) provides the Wyoming Public Service Commission (“Commission”) with the following responses:**

- 1.1 On page 4 of the application, the Company’s proposed fair value of properties is \$654.7 million. The Company omitted from the calculation the accumulated depreciation amount of \$179,450,502 listed on line 4 of RUS Form 7 (Exhibit E, page 2). Please explain why the Company’s proposed fair value calculation uses the total utility plant rather than the book value amount of \$209,420,802 listed on line 5 of RUS Form 7 (Exhibit E, page 2).

*1.1 Response from Joanne L. Kolb, CFAO, PRECorp: GAAP accounting requires that expenses are recognized in the same period in which the revenue generated by the expense is earned. Depreciation and amortization is an accounting technique used to spread the expense of a capital purchase over its useful life in order to recognize the expense in the same period the plant was used to generate revenue.*

*The amount that is included in the associated depreciation and amortization represents the cost of the plant that has been expensed since the plant was constructed or purchased. It does not reflect any changes in the actual value of the plant if it were sold in an arms-length transaction.*

*As a conservative security test evaluation comparison, the Cooperative included an alternate method of security test on Exhibit F to reflect a depreciation adjustment of the \$179,450,502, although this alternate valuation may be a lower valuation than fair value due to the accelerated depreciation of specific plant on the Cooperative’s system. In response to question 1.3 below, PRECorp has supplemented this application with an amended Aggregate Securities test using the depreciated plate amount, however still believes this may be a lower valuation than fair value due to accelerated depreciation.*

- 1.2 The application states on page 2 that it is necessary for the Company to “have adequate and varied sources of financing available”. Pursuant to Commission Rule Chapter 3, Section 21(g)(i)(B), please describe with more clarity what the loan proceeds will be used for.

**1.2 Response from Joanne L. Kolb, CFAO, PRECorp:** *PRECorp needs cash to fund capital projects and operating expenses. The FFB loan is only available for draw after the funds are expended on capital work plan items, so short term funding is needed either through operating cash or line of credit. The line of credit may also be used to fund cash operating expense shortfalls, such as in major outage situations.*

1.3 Please provide a complete Aggregate Securities Test detailing the aggregate amount of the securities outstanding and if including the proposed securities to be outstanding would exceed the fair value of the properties and business of the public utility as required under Wyo. Stat. § 37-6-102 and Commission Rule Chapter 3 Section 21(g)(i)(D). Please find Staff's estimated Aggregate Securities Test based on the December 31, 2017, RUS Form 7. Staff's estimate did not include noncurrent Capital Leases of \$21,490 as shown in Part C; however, if the capital leases are for period of greater than 18 months they may be considered a security. Table 1 depicts the Securities Test prior to the proposed securities issuance. Table 2 depicts the Securities test after the proposed securities issuance. Please reconcile with PRECorp's Exhibit F Aggregate Securities Test. Upon reconciliation, please supplement the Application with the before and after Aggregate Securities Tests for the proposed transaction.

<b>BEFORE</b>			
<b>Assets &amp; Other Debits</b>		<b>Margins/Equity &amp; Long-Term Debt</b>	
Net Utility Plant	\$ 209,420,802	Total Margins & Equities	\$ 218,025,553
Total Other Property & Investments	\$ 163,023,195	Long-Term Debt	\$ 151,734,579
Total Current and Accrued Assets	\$ 73,669,232	Less: Unapplied Payments	\$ (14,653,442)
Other Deferred Assets	\$ 511,027	FFB Loan	\$ 55,750,000
FFB Loan Cash Proceeds	\$ 55,750,000	CFC Line of Credit	\$ 20,000,000
CFC Line of Credit Cash Proceeds	\$ 20,000,000		
<b>Total Assets &amp; Other Debits</b>	<b>\$ 522,374,256</b>	<b>Total Margins/Equities &amp; Long-Term Debt</b>	<b>\$ 430,856,690</b>

<b>AFTER</b>			
<b>Assets &amp; Other Debits</b>		<b>Margins/Equity &amp; Long-Term Debt</b>	
Net Utility Plant	\$ 209,420,802	Total Margins & Equities	\$ 218,025,553
Total Other Property & Investments	\$ 163,023,195	Long-Term Debt	\$ 151,734,579
Total Current and Accrued Assets	\$ 73,669,232	Less: Unapplied Payments	\$ (14,653,442)
Other Deferred Assets	\$ 511,027	FFB Loan	\$ 55,750,000
FFB Loan Cash Proceeds	\$ 55,750,000	CFC Line of Credit	\$ 20,000,000
CFC Line of Credit Cash Proceeds	\$ 20,000,000	Proposed CoBank LOC	\$ 10,000,000
Cash Proceeds from Proposed LOC	\$ 10,000,000		
<b>Total Assets &amp; Other Debits</b>	<b>\$ 532,374,256</b>	<b>Total Margins/Equities &amp; Long-Term Debt</b>	<b>\$ 440,856,690</b>

**1.3 Response from Joanne L. Kolb, CFAO, PRECorp:** *Application is supplemented with an amended Exhibit F with before and after calculations. In the process of reviewing for reconciliation, there was a correction made to the CFC Open Line of Credit, which is actually \$13 million not the originally referenced \$20 million. This amount is included in the calculations even though by nature of the line of credit agreement is a short term liability. Other items of note that are different than Staff's estimated Aggregate Securities Test above are as follows:*



- a. *Included a footer comment on Net Utility Plant noting using this figure is likely a lower valuation than actual value of plant due to accelerated depreciation.*
- b. *Subtracted both Special Funds and Other Investments from Total other property and investments. Special Funds are offset by Deferred Credits on the balance sheet and are restricted funds for specific purposes. Other Investments are loans to our membership for unpaid capital in advance of construction. As such neither are contributory to the fair value of the public utility.*
- c. *Other Deferred Assets were excluded from our amended exhibit as these are a representation of prior period expenses left to be amortized.*
- d. *In the before calculation, PRECorp has included the current CoBank line of credit amount of \$20 million, this application is reducing that line of credit to a total of \$10 million.*
- e. *In calculating Long Term Debt on our Form 7, Payments Unapplied is subtracted from our long term debt balances to obtain a net total long term debt amount. This is an RUS requirement, however part of this payments unapplied balance is to pay current maturities which are included in current and accrued liabilities and not part of this calculation. As such, the amended Exhibit F has the current portion of the payments unapplied added to the long term debt totals.*

1.4 Regarding the debt to asset ratio including the open FFB loan and proposed line of credit (page 2 of Exhibit F), please clarify why the Company did not include the \$20,000,000 CFC line of credit in the numerator of the calculation.

***1.4 Response from Joanne L. Kolb, CFAO, PRECorp:*** *The terms of the CFC line of credit require any amounts drawn on the line be paid off within a year, as such it is not considered to be long term debt and therefore is not included in the debt to asset ratio.*

1.5 Regarding the debt to equity ratio including the open FFB loan and proposed line of credit (page 2 of Exhibit F), please clarify why the Company did not include the \$20,000,000 CFC line of credit in the numerator of the calculation.

***1.5 Response from Joanne L. Kolb, CFAO, PRECorp:*** *The terms of the CFC line of credit require any amounts drawn on the line be paid off within a year, as such is not considered to be long term debt and therefore is not included in the debt to asset ratio.*

1.6 Staff is aware that the interest rates and amounts will be determined at the time loan funds are requested. However, pursuant to Commission Rule Chapter 3, Section 21(g)(i)(E)(I), please provide an estimate of both the operating TIER and debt service coverage ratio after the proposed transaction. Please supplement the application in addition to providing a response to this CIR.

***1.6 Response from Joanne L. Kolb, CFAO, PRECorp:*** *Operating TIER and Debt Service Coverage are not expected to be impacted by this transaction, as this is a line of credit and is at this time only expected to be used for situations such a major outage or to fund capital in a situation of operating cash shortfall.*

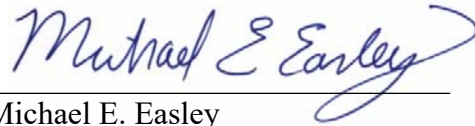
1.7 What is the status of the \$55.75 million FFB loan?

***1.7 Response from Joanne L. Kolb, CFAO, PRECorp:*** *The FFB loan is available for draw and PRECorp is in the process of completing the documentation required to complete a partial draw for facilities constructed to date, along with the documentation to invest those funds in the RUS cushion of credit to be used for future debt service payments.*

1.8 What is the status of the \$20 million CFC Line of Credit?

***1.8 Response from Joanne L. Kolb, CFAO, PRECorp:*** *The CFC line of credit is available for draw.*

Dated: May 16, 2018

A handwritten signature in blue ink that reads "Michael E. Easley". The signature is written in a cursive style and is positioned above a horizontal line.

Michael E. Easley  
Chief Executive Officer  
Powder River Energy Corporation  
221 Main Street / P.O. Box 930  
Sundance, WY 82729-0930  
(307) 283-4900

**CERTIFICATE OF SERVICE**

I certify the foregoing response from Powder River Energy Corporation to the Wyoming Public Service Commission's First CIR Set was served upon all parties to this action on the 16<sup>th</sup> day of May, 2018, and that copies were served as follows:

**Wyoming Public Service Commission**

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Nathan Brennan  
Luy Luong  
Angie Elliott  
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**General Counsel for Powder River Energy Corporation**

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Stephanie J. Pribilske  
Executive Staff Assistant  
Powder River Energy Corporation

**BEFORE THE WYOMING PUBLIC SERVICE COMMISSION**

<b>IN THE MATTER OF THE</b>	)	
<b>APPLICATION OF POWDER RIVER</b>	)	
<b>ENERGY CORPORATION FOR</b>	)	<b>DOCKET NO. 10014-191-CS-18</b>
<b>AUTHORITY TO BORROW UP TO</b>	)	<b>(Record No. 14993)</b>
<b>\$10,000,000 FROM COBANK</b>	)	

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**POWDER RIVER ENERGY CORPORATION’S RESPONSE TO WYOMING PUBLIC  
SERVICE COMMISSION STAFF INVESTIGATIVE REQUEST - SET TWO**

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**Powder River Energy Corporation (“Cooperative” or “PRECorp”) provides the Wyoming Public Service Commission (“Commission”) with the following responses:**

2.1 The PRECorp Board Resolution authorizes up to \$1 million. The PRECorp Application is requesting \$10 million authorization, consisting of a \$1 million committed revolver and a \$9 million uncommitted revolver. Please clarify and resolve the authorization for the remaining \$9 million requested in this Application.

*2.1 Response: Please see the attached Amended Resolution 2018-02.*

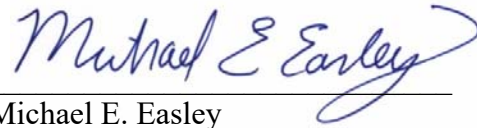
2.2 The application states on page 2 that it is necessary for the Company to “have adequate and varied sources of financing available”. Pursuant to Commission Rule Chapter 3, Section 21(g)(i)(B), please describe with more clarity what the loan proceeds will be used for.

*2.2 Response: Refer to PRECorp’s response to CIR 1-2.*

2.3 Please Supplement the Responses to CIR Set 1 and the authorization for the remaining \$9 million requested in the Application.

*2.3 Response: Please see the attached Amended Resolution 2018-02. The Application is supplemented with this amended resolution.*

Dated: May 22, 2018

A handwritten signature in blue ink that reads "Michael E. Easley". The signature is written in a cursive style with a large, sweeping flourish at the end.

---

Michael E. Easley  
Chief Executive Officer  
Powder River Energy Corporation  
221 Main Street / P.O. Box 930  
Sundance, WY 82729-0930  
(307) 283-4900

## CERTIFICATE OF SERVICE

I certify the foregoing response from Powder River Energy Corporation to the Wyoming Public Service Commission's Second CIR Set was served upon all parties to this action on the 22<sup>nd</sup> day of May, 2018, and that copies were served as follows:

### Wyoming Public Service Commission

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Luy Luong  
Angie Elliott  
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### General Counsel for Powder River Energy Corporation

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Stephanie J. Pribilske  
Executive Staff Assistant  
Powder River Energy Corporation